## AMENDED IN SENATE AUGUST 18, 2003 AMENDED IN ASSEMBLY APRIL 28, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

## **ASSEMBLY BILL**

No. 1075

Introduced by Committee on Agriculture (Matthews (Chair), Maldonado (Vice Chair), Berg, Cogdill, Maddox, Maze, Oropeza, Parra, Reyes, Salinas, Vargas, and Wiggins) Assembly Members Matthews and Correa

(Coauthors: Assembly Members Aghazarian and Parra)

February 20, 2003

An act relating to nursery stock. to amend Section 7072 of the Government Code, relating to enterprise zones.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1075, as amended, Committee on Agriculture Matthews. Nursery stock: pest control Enterprise Zone Act.

The Enterprise Zone Act requires the Technology, Trade, and Commerce Agency to administer the act and to designate enterprise zones proposed by a city, county, or city and county from applications selected on the basis of the most effective, innovative, and comprehensive regulatory, tax program, and other incentives in attracting private sector investment in the zone proposed. The act also requires the agency to approve the expansion of an enterprise zone pursuant to specified criteria.

This bill would transfer this authority to the Business, Transportation and Housing Agency.

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Existing law makes it unlawful for any person to willfully import into, or ship or transport within, the state any live insect or any pest, except by written permit by the Director of the United States Department of Agriculture, except as specified.

This bill would make various findings and declarations with respect to the shipment of exotic pest species into California by out-of-state shippers and would state the intent of the Legislature to (1) ensure that companies shipping plants and plant products and other material that may harbor exotic pests into this state do everything possible to prevent the introduction of pests into California, and (2) to prevent out-of-state shippers of agricultural products from placing themselves at an unfair advantage over California companies through shipping practices designed to skirt California laws.

Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. (a) The Legislature finds and declares the
- 2 SECTION 1. Section 7072 of the Government Code is 3 amended to read:
- 4 7072. For purposes of this chapter, the following definitions shall apply:
  - (a) "Agency" means the Trade and Commerce Business, Transportation and Housing Agency.
  - (b) "Date of original designation" means the earlier of the following:
- 10 (1) The date the eligible area receives designation as an 11 enterprise zone by the agency pursuant to this chapter.
  - (2) In the case of an enterprise zone deemed designated pursuant to subdivision (e) of Section 7073, the date the enterprise zone or program area received original designation by the agency pursuant to Chapter 12.8 (commencing with Section 7070) or Chapter 12.9 (commencing with Section 7080), as those chapters read prior to January 1, 1997.
    - (c) "Eligible area" means any of the following:
- 19 (1) An area designated as an enterprise zone pursuant to
- 20 Chapter 12.8 (commencing with Section 7070), as it read prior to
- 21 January 1, 1997, or as a targeted economic development area,
- 22 neighborhood development area, or program area pursuant to

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1 Chapter 12.9 (commencing with Section 7080), as it read prior to 2 January 1, 1997.

- (2) A geographic area that, based upon the determination of the agency, fulfills at least one of the following:
- (A) The proposed geographic area meets the Urban Development Action Grant criteria of the United States Department of Housing and Urban Development.
- (B) The area within the proposed zone has experienced plant closures within the past two years affecting more than 100 workers.
- (C) The city or county has submitted material to the agency for a finding that the proposed geographic area meets criteria of economic distress related to those used in determining eligibility under the Urban Development Action Grant Program and is therefore an eligible area.
- (D) The area within the proposed zone has a history of gang-related activity, whether or not crimes of violence have been committed.
- (3) A geographic area that meets at least two of the following criteria:
- (A) The census tracts within the proposed zone have an unemployment rate not less than 3 percentage points above the statewide average for the most recent calendar year as determined by the Employment Development Department.
- (B) The county of the proposed zone has more than 70 percent of the children enrolled in public school participating in the federal free lunch program.
- (C) The median household income for a family of four within the census tracts of the proposed zone does not exceed 80 percent of the statewide median income for the most recently available calendar year.
- (d) "Enterprise zone" means any area within a city, county, or city and county that is designated as such by the agency in accordance with the provisions of Section 7073.
- (e) "Governing body" means a county board of supervisors or a city council, as appropriate.
- (f) "High technology industries" include, but are not limited to, the computer, biological engineering, electronics, and telecommunications industries.

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(g) "Resident," unless otherwise defined, means a person whose principal place of residence is within a targeted employment area.

(h) "Targeted employment area" means an area within a city, county, or city and county that is composed solely of those census tracts designated by the United States Department of Housing and Urban Development as having at least 51 percent of its residents of low- or moderate-income levels, using either the most recent United States Department of Census data available at the time of the original enterprise zone application or the most recent census data available at the time the targeted employment area is designated to determine that eligibility. The purpose of a "targeted employment area" is to encourage businesses in an enterprise zone to hire eligible residents of certain geographic areas within a city, county, or city and county. A targeted employment area may be, but is not required to be, the same as all or part of an enterprise zone. A targeted employment area's boundaries need not be contiguous. A targeted employment area does not need to encompass each eligible census tract within a city, county, or city and county. The governing body of each city, county or city and county that has jurisdiction of the enterprise zone shall identify those census tracts whose residents are in the most need of this employment targeting. Only those census tracts within the jurisdiction of the city, county, or city and county that has jurisdiction of the enterprise zone may be included in a targeted employment area.

At least a part of each eligible census tract within a targeted employment area shall be within the territorial jurisdiction of the city, county, or city and county that has jurisdiction for an enterprise zone. If an eligible census tract encompasses the territorial jurisdiction of two or more local governmental entities, all of those entities shall be a party to the designation of a targeted employment area. However, any one or more of those entities, by resolution or ordinance, may specify that it shall not participate in the application as an applicant, but shall agree to complete all actions stated within the application that apply to its jurisdiction, if the area is designated.

Each local governmental entity of each city, county, or city and county that has jurisdiction of an enterprise zone shall approve, by resolution or ordinance, the boundaries of its targeted employment \_\_5\_\_ AB 1075

area, regardless of whether a census tract within the proposed targeted employment area is outside the jurisdiction of the local governmental entity.

following:

- (1) The introduction of exotic pest species into California continues to place the state at risk of infestation from these species that may cause irreparable harm to the state's agricultural industry.
- (2) That certain out-of-state shippers of plant material are taking advantage of existing shipping laws and regulations intended to facilitate trade with other states while minimizing the risk to California from the potential of exotic pest introductions.
- (3) That by taking advantage of existing laws and regulations, these out-of-state shippers also take unfair advantage of reputable California companies that depend upon the availability of pest free plant material to maintain and promote their businesses within the state.
- (b) It is the intent of the Legislature to ensure that companies shipping plants and plant products and other material that may harbor exotic pests into this state do everything possible to prevent the introduction of pests into California.
- (c) It is also the intent of the Legislature to prevent out-of-state shippers of agricultural products from placing themselves at an unfair advantage over California companies through shipping practices designed to skirt California laws.